

# Financial Aid News

## WASHINGTON HIGHER EDUCATION COORDINATING BOARD

### Online resources for aid administrators

- [Higher Education Coordinating Board Web site](#)
- [HECB secure Web site for aid administrators](#)
- [State Need Grant](#)
- [State Work Study](#)
- [Washington Promise Scholarship](#)
- [Educational Opportunity Grant](#)
- [Washington Scholars Program](#)
- [WAVE](#)
- [Other state aid programs](#)
- [Past issues of the \*Financial Aid News\* and other publications](#)
- [Washington Financial Aid Association](#)
- [Western Association of Financial Aid Administrators](#)
- [Western Association of Student Employment Administrators](#)
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Higher Education  
Coordinating Board

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### Issue 26 — April 25, 2003

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#### SNG interim report due May 2

The Higher Education Coordinating Board asks participating institutions to submit the next State Need Grant (SNG) interim report by May 2, 2003. The interim report is a fund management tool that provides information about the actual enrollment of SNG eligible students around the state. Information from the May 2 report will be used to redistribute returned SNG monies to schools that need more funds to award eligible students. Independent and proprietary institutions also need to submit a reconciliation of records report and a confirmation agreement by May 2.

Findings from the February interim report are available on the Board's secure Web site. Aid administrators can link to the 'Secure File Download' and receive a special analysis of their school's SNG eligible students and expenditures.

## **SWS starts employer renewals for 2003-04**

The State Work Study (SWS) program has begun renewing contracts and job descriptions with currently eligible SWS employers. Last week, staff mailed 2003-04 renewal forms to nearly 3,000 SWS employers. The forms are due back to the Board by May 15. If you have questions about the process, contact Khris Blumer at [khrisb@hecb.wa.gov](mailto:khrisb@hecb.wa.gov) or 360-753-7847.

## **In spite of faltering economy, states increased student aid spending in 2001-02**

### **NASSGAP report uncovers state commitment to students**

In spite of an entrenched recession, rising unemployment, and some of the worst state fiscal crises in recent history, states increased student aid spending by nearly 10 percent in 2001-02. The National Association of State Student Grant and Aid Programs (NASSGAP) released the finding in its 33rd annual survey of the 50 states, Puerto Rico, and the District of Columbia.

The increase is smaller than the record 14.5 percent rise in 2000-01, but it is still remarkable according to John R. Klacik, president of NASSGAP. "That there is an increase at all nationwide is significant," Klacik told *The Chronicle of Higher Education*. "Economic times are very tough." Klacik is also associate director for student financial aid at the Higher Education Coordinating Board.

You can download the survey online at NASSGAP's Web site: [www.nassgap.org](http://www.nassgap.org). The Chronicle article is also available online for subscribers: [Most states increased spending on student aid in 2001-2, survey finds](#).

## **News returns to regular schedule**

This week, the *Financial Aid News* returns to its regular, biweekly publication schedule. We will keep you posted with breaking news as the Legislature finishes its work on bills and a budget. Otherwise, look for us every other week in your electronic inbox.

## **Legislative update**

### **Regular session adjourns Sunday; lawmakers still working on budget**

*April 25, 2003 — 2:00 p.m.*

The regular legislative session is scheduled to adjourn this Sunday, and lawmakers have not yet agreed on a 2003-05 budget. The Senate passed its spending plan on April 4. The House Appropriations Committee released a budget last week, but the measure has not come to a House floor vote.

Page 4 of this newsletter provides a side-by-side comparison of the budget plans currently on the table. For the most part, the current plans agree in principle on financial aid. But there are other significant differences that will

have to be resolved — most notably concerning taxes and reductions in state government — before lawmakers can put a wrap on the 2003 session. The Senate proposed no new taxes; House appropriators called for \$650 million in new revenue, including a sales tax increase.

As the adjournment deadline looms, lawmakers are vowing to complete their work on time. According to a report in *The Seattle Times*, the drive to finish by Sunday got new momentum when members learned Senate Majority Leader Jim West (R-Spokane) is battling colon cancer. "We can't fool around anymore," House Majority Leader Lynn Kessler (D-Hoquiam) told the *Times*. "We want to get this done so (West) can be at ease when he goes in to fight this cancer." (The article is online: [Movement seen on budget pact.](#))

The House Appropriations plan is likely to undergo changes before the full House votes on it. If and when the House approves a plan, members from both chambers will have to confer in hopes of hammering out a compromise. If lawmakers don't finish their work by 11:59 p.m. on Sunday, a special session is a certainty — since state government cannot operate after June 30, 2003 without a new budget signed by the governor.

A special session might not happen right away, however. Sen. West, among others, has suggested that lawmakers adjourn for at least a couple weeks, which would give negotiators from both chambers time to reach consensus on a budget. Lawmakers could then reconvene to approve a compromise spending plan.

### **Bills on the move**

All of the bills that we're tracking as of our last newsletter (April 11) remain in play. Several have passed both chambers. The current status of these bills is in the chart starting on page 6.

### **Governor signs bill creating a new aid program for students with dependents**

Gov. Gary Locke signed House Bill 1277 into law on April 16, creating a new financial aid program for students with dependents. The new program permits the state to raise funds from private sources to provide additional financial aid to State Need Grant-eligible students with dependents. No state funds will be used for the program. The program must raise \$500,000 in funds before making awards to students.

### **EOG proposal passes House and Senate**

Senate Bill 5676, which would open the Educational Opportunity Grant program to students across the state, has cleared both the House and the Senate. Minor differences between the bills still have to be ironed out, but

the measure could be on the governor's desk before the end of the regular session Sunday.

Both the House and Senate versions of the bill permit placebound students from all of the state's 39 counties to apply for the grant. Recipients could also use the grant at University of Washington and Washington State University branch campuses. The measure would also allow some GED recipients to qualify for the Promise Scholarship, if they meet age and other academic requirements.

Before the bill can be sent to the governor, the two houses must agree on the establishment of grant amounts. The House bill establishes the *maximum* annual EOG at \$2,500. The Senate version sets a \$2,500 *minimum* and gives the Higher Education Coordinating Board authority to establish higher grants.

### Online resources for tracking and analyzing legislation

Full text of bills and supporting materials:	<a href="http://www.leg.wa.gov/wsladm/bills.cfm">http://www.leg.wa.gov/wsladm/bills.cfm</a>
Complete legislative hearing schedule:	<a href="http://www.leg.wa.gov/wsladm/calendar.cfm">http://www.leg.wa.gov/wsladm/calendar.cfm</a>
Live and archived Web broadcast of all hearings:	<a href="http://www.tvw.org">http://www.tvw.org</a>
HECB 2003 legislative session site:	<a href="http://www.hecb.wa.gov/Leg/index.asp">http://www.hecb.wa.gov/Leg/index.asp</a>

### Save the date!

#### Annual financial aid workshops at a location near you

The Board will offer its annual State Student Financial Aid Workshops in four different locations next month:

- **Yakima** — Thursday, May 15 — Yakima Valley Community College
- **Spokane** — Friday, May 16 — Whitworth College
- **Seattle** — Wednesday, May 21 — North Seattle Community College
- **Centralia** — Thursday, May 22 — Centralia College

Each workshop covers 2003-04 updates and provides basic training on State Need Grant, State Work Study, Educational Opportunity Grant, and some of the smaller aid programs. For more information, contact Colleen Scovill at [colleens@hecb.wa.gov](mailto:colleens@hecb.wa.gov) or (360) 753-7850.

## Budget proposal comparisons

Changes in funding, unless noted, reflect the increases between biennia.

	<b>2003-05 Governor proposal</b>	<b>2003-05 Senate proposal</b>	<b>2003-05 House Appropriations Committee proposal</b> <i>NOT passed by full House</i>
<b>SNG</b>	Increases by \$32.1 million, to keep pace with planned 9 percent rise in resident undergraduate tuition — service level at 55 percent median family income	Increases by \$32.3 million, to keep pace with planned 9 percent rise in resident undergraduate tuition — service level at 55 percent median family income	Increases by \$18.9 million, to keep pace with planned 5 percent rise in resident undergraduate tuition — service level at 55 percent median family income; reduces grant amounts at private institutions
<b>Washington Scholars and WAVE</b>	Increases by a combined \$1.2 million	Increases by a combined \$1.9 million to support increased use of the Scholars award and restore both awards to full tuition and fees	Increases by \$1.6 million to support increased use of the Scholars award and restore both awards to full tuition and fees
<b>Promise</b>	Maintains at 2002-03 level, \$12.1 million for the biennium	Maintains at 2002-03 level, \$12.1 million for the biennium	Maintains 2003-04 at 2002-03 level (\$6 million); provides 2004-05 funding out of proposed Student Achievement Fund
<b>SWS, EOG, Health Professions</b>	No change	No change	No change
<b>Tuition</b>	Caps annual tuition increases at 9 percent for resident undergraduates; gives institutions tuition-setting authority for all other groups through the biennium	Caps annual tuition increases at 9 percent; if the governor's tuition bill (ESSB 5448) passes, cap applies only to resident undergraduates	Caps annual tuition increases at 5 percent for resident undergraduates; gives institutions tuition-setting authority for all other groups through the biennium
<b>Student Achievement Fund</b>	Not proposed	Not proposed	Creates a student achievement fund with \$350 million in new sales tax revenue and \$29 million in gambling revenue; would fund K-12 initiatives, high demand enrollments, and, starting in 2004-05, the Promise Scholarship

## Active bills of interest by subject

Bills that did not meet the latest cutoff have been deleted. For current information about the status of a bill, visit the Washington State Legislature's Web site: <http://www.leg.wa.gov/wsladm/bills.cfm>.

Bill number Senate House	Sponsor(s)	Description	Passed house of origin	Passed opposite house	Signed by governor
<b>2003-05 operating budget</b>					
<b>ESSB 5404</b>	Rossi	Makes 2003-05 operating appropriations	✓		
<b>Educational Opportunity Grant and Washington Promise Scholarship</b>					
<b>ESB 5676</b>	Kohl-Welles	Changes elements of the Educational Opportunity Grant program; financially needy placebound residents from all of the state's 39 counties may be eligible; recipients could attend branch campuses; also allows recipients of GED certificates to be eligible for Promise scholarships if they meet other academic eligibility criteria  The House version of the bill caps annual grant amounts at \$2,500; the Senate version sets a minimum at \$2,500 and allows HECB to set amounts; both chambers must agree before sending the measure to the governor	✓	✓	
<b>Tuition refunds for aid recipients</b>					
<b>HB 2113</b>	Morrell, Cox	Permits four-year public institutions to adopt tuition refund policies that reduce aid recipients' liability in required repayments of federal aid	✓	✓	

## Active bills of interest by subject — continued

Bills that did not meet the latest cutoff have been deleted. For current information about the status of a bill, visit the Washington State Legislature's Web site: <http://www.leg.wa.gov/wsladm/bills.cfm>.

Bill number Senate House	Sponsor(s)	Description	Passed house of origin	Passed opposite house	Signed by governor
<b>Other financial aid and tuition waiver proposals</b>					
<b>SSB 5189</b>	Benton	Exempts veterans of the Korean conflict (active duty from 1950-55) from tuition increases	✓	✓	
<b>ESHB 1277</b>	Kenney, Cox	Creates a supplemental educational assistance grant program for State Need Grant eligible students with dependents; private sources would fund the program	✓	✓	✓
<b>Tuition and residency</b>					
<b>E2SSB 5135</b>	Carlson, Kohl-Welles	As approved by the House and Senate, requires each state baccalaureate institution and the State Board for Community and Technical Colleges to develop policies to ensure enrolled undergraduates complete degree and certificate programs in a timely manner. Institution-based policies must address, at a minimum, students who (a) accumulate more than 125 percent of the credits necessary to graduate; (b) drop more than 25 percent of their class load during a term; and (c) are on academic probation for longer than one term. State higher education institutions may assess a tuition surcharge for continued enrollment of such students as a matter of local policy	✓	✓	

## Active bills of interest by subject — continued

*Bills that did not meet the latest cutoff have been deleted.* For current information about the status of a bill, visit the Washington State Legislature's Web site: <http://www.leg.wa.gov/wsladm/bills.cfm>.

Bill number Senate House	Sponsor(s)	Description	Passed house of origin	Passed opposite house	Signed by governor
<b>EHB 1079</b>	Kenney, Cox	As originally passed by the House, authorized resident tuition for certain undocumented students residing in Washington; student must have attended at least three years of high school in the state  Senate amendments significantly restricted the groups of students that would be eligible for resident tuition; the House agreed to the amendments; according to press reports, the governor has said he will veto the section containing the Senate amendments, returning the bill to what was originally passed by the House	✓	✓	
<b>ESSB 5448</b>	Carlson, Kohl-Welles	Extends institutional tuition-setting authority for all but resident undergraduates through 2008-09	✓	✓	

### Higher Education Coordinating Board

<b>ESHB 2076</b>	Kenney, Cox, Fromhold	Replaces Board's current mandate to develop a state master plan for higher education every four years with new guidelines to develop a strategic plan for higher education	✓	✓	
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### Other higher education proposals

<b>SHB 2111</b>	Priest, Jarrett	As amended, provides for a legislative study of the feasibility of performance contracts between the state and institutions of higher education	✓	✓	
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